# ATTACHMENT B



# ATTACIMENT C

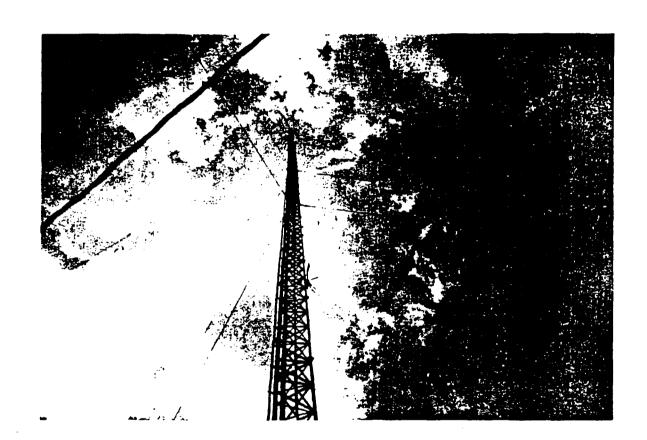


EXHIBIT No. 4

STATE OF OKLAHOMA )

COUNTY OF WOODWARD )

### **AFFIDAVIT**

COME NOW J. Douglas Williams and James A. Turvaville, being first duly sworn, and do say the following:

That J. Douglas Williams is a general partner in Williams Broadcast Group, licensee of Station KJAK(FM), Slaton, Texas, and is an owner of OMNI Communications, Inc. (OMNI) licensee of station KWOX(FM), Woodward, Oklahoma, and numerous other communications related companies; and that James A Turvaville is an FCC licensed radiotelephone operator, and director of engineering for OMNI

That on or about the 21st and 22nd day of February, 1989, both of the affiants did personally conduct a search of the Lubbock Avalanche Journal for published Notice of filing of application to construct or make changes in noncommercial educational broadcast station KAMY(FM), Lubbock, Texas, by Caprock Educational Broadcasting Founcation, licensee or permittee of Station KAMY, filed on or about the 28th day of March, 1988.

That the Lubbock Avalanche Journal is the only daily newspaper of general circulation in the Lubbock area, and that until September 15, 1988 both a morning and an evening paper were published: affiants examined each of all issues of the Lubbock Avalanche Journal, to search for public notice of the aforementioned filing with the Federal Communications

Commission. Pursuant to the complete examination of each issue of the Lubbock Avalanche Journal from the date of February 1, 1988 to February 22, 1989, no record of public notice was found relative to filings by Caprock Educational Broadcasting Foundation, or any other entity, bearing relevance to any filing for a Noncommercial Educational Broadcasting Station on Channel 211A in Lubbock. Texas.

-
relevance to any filing for a Noncommercial Educational
Broadcasting Station on Channel 211A in Lubbock, Texas.
Douglas Williams James A. Turvaville
Subscribed and sworn to before me this 10th day of April, 1989, by the above named J. Douglas Williams, affiant, known by me to be the person named as the affiant in the above affidavit.
Further, the affiants sayeth not.
(SEAL) My Commission expires 12/07/90
Subscribed and sworn to before me this 10th day of April, 1989, by the above named James A. Turvaville, affiant, known by me to be the person named as the affiant in the above affidavit.
Haren Denadan Notary Public
(SEAL) My Commission expires 12/02/94





# PENNY PINCHER

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- Limited to General Merchandise. Lost and Found, Recreation and Transportation.

Call A-J Classifieds

NEW MOR Christian Radio Station Is Looking For Dedicated Announce ers That Are More Interested in A Christian Ministry Anstead Of Hypp. Send Resume And Audition Tape To: KAMY, PO Box 6907, Lubbock, Tx. 79493.

### CERTIFICATE OF SERVICE

I, Mary Ellen Sera, do hereby certify that I have caused to be sent via First Class U.S. Mail (postage prepaid) today, April 25, 1989, a copy of the foregoing PETITION TO DENY to the following:

James L. Oyster, Esquire Law Offices of James L. Oyster 8315 Tobin Road Annandale, Virginia 22003

Mary Ellen Sera

# EXHIBIT 2

DUPLICATE

RECEIVED

MAY - 9 1989

### Before the FEDERAL COMMUNICATIONS COMMISSION Federal Communications Commission Washington, D.C. 20554

Office of the Secretary

In re Application of	)			
CAPROCK EDUCATIONAL BROADCASTING FOUNDATION	)	File	No.	BMPED-880328MM
For Modification of Construction Permit KAMY, Lubbock, TX	)			→ 苣

Chief, Mass Media Bureau

### OPPOSITION TO PETITION TO DENY

Caprock Educational Broadcasting Foundation ("Caprock"), by its counsel, herewith submits its opposition to the PETITEON DENY filed by Williams Broadcast Group ("Williams") in the abovecaptioned proceeding. In support whereof, the following is stated:

- Williams states in its Summary that Caprock has violated the Communications Act and the Commission's Rules by building its FM station in Lubbock, TX prematurely, and that it "commenced full-scale operations, signing off only after demands from Williams to the Commission -- and for that matter -- Capitol Hill that the unauthorized operations be terminated."
- 2. Caprock acknowledges that it commenced operations at the site proposed in its pending application for modification of construction permit prior to receiving a grant of that application. As indicated in the attached Declaration of T. Kent Atkins, Trustee of Caprock, the applicant proceeded with construction under the mistaken belief that it would lose its permit if it did not place the station on the air prior to the expiration date of its existing permit. Furthermore, Caprock

mistakenly believed that its application was for a minor modification and that construction in accordance with the minor modification was permissible.

- 3. Contrary to the assertion of Williams, Caprock ceased operations of its own volition and not as a result of Williams' "demands" to the Commission and Capitol Hill. In fact, Caprock had no knowledge that Williams had filed any type of complaint until after it ceased operations. As stated in the attached Declaration, at para. 15:
  - 15. Caprock became aware that its construction was unauthorized following a call from Mr. Arthur Doak of the Commission who asked for information regarding the location and power of the KAMY facilities. Caprock called counsel regarding the request and to provide the information. It was at this time that counsel advised Caprock that it should not be operating until it received a grant of the modification application. Caprock immediately took the station off the air, and counsel advised Mr. Doak that the applicant had mistakenly commenced operation at the proposed location but had ceased operations immediately upon being notified of its mistake.
- 4. Caprock did not receive a copy of the Williams complaint until after the petition to deny was filed. A copy was sent to Caprock by Dennis Williams on April 25, 1989. A copy was also sent to counsel upon request. While the complaint indicates that a courtesy copy was sent to KAMY, none was received. The address to which said copy was sent is not indicated, and Caprock has no way of knowing whether a correct address was used.
- 5. In any event, Caprock acknowledges that it built the station at its proposed new location rather than that authorized in its construction permit. However, Caprock did have an application on file (the instant application) for modification of construction permit and mistakenly built the facilities proposed

in the modification application. It did so without consulting counsel. Caprock now understands that this is a serious violation and wishes to apologize to the Commission.

- 6. Although Caprock did mistakenly violate the Commission's rules by building its station prior to receiving a grant of the instant application, the only harm which has been alleged by Williams is to its own private commercial interests. The violations were the result of the applicant's attempt to place the station on the air prior to expiration of the construction permit (which in and of itself was in furtherance of the public interest), and the public has not been harmed by the actions of Caprock.
- 7. Furthermore, the Williams Petition to Deny is fraught with errors which distort Caprock's admitted violation out of proper proportion. The numerous errors contained in the petition begin with the opening statement in which Williams refers to "the 30 months following grant of its original construction permit." As indicated in the attached Declaration, it has been only 18 months since the grant of the construction permit. Moreover, it has been over a year since Caprock first filed to modify its proposal. Thus the charge on p. 2 of the petition that Caprock has lacked diligence in building its facility is not true.
- 8. Williams' statements in regard to its status as a party in interest are also distorted. Since KJAK is a commercial station and KAMY is a noncommercial station, the stations will not compete in the normal sense of that term. Furthermore, the allegation that KAMY's operation creates "unfair competition" is

totally unsupported. While operation at this time is impermissible because the Commission has not authorized operation, there is nothing intrinsically unfair about the proposed operation of KAMY.

- 9. On p. 5 of its pleading, Williams refers to an alleged conversation with the Chief Engineer of KJTV, which controls the antenna site for the KAMY antenna. The statements contained in this portion of Williams' pleading are self-serving hearsay. If Mr. Smith believed that something "unlawful" was taking place, he certainly did not communicate that fact to Caprock or the Commission. In any event, the antenna was placed on the tower in mid-March. Therefore, the claims by Mr. Dulaney that construction was observed in February are inaccurate. Indeed, as indicated in para. 7 of the attached Declaration, some of the equipment allegedly seen on the tower in February was not even purchased until mid-March.
- 10. While the allegations are true that KAMY went on the air in April, the allegations regarding the power being utilized by KAMY are totally erroneous. As indicated in the attached Declaration of Mr. Atkins, at para. 8, there is a 10,000 watt CCA transmitter which is being stored in the KAMY transmitter building. However, the transmitter lacks essential parts necessary to be operational and could not have been placed in use by KAMY at this time. As further stated by Mr. Atkins:
  - 9. Caprock categorically denies that it ever operated above the requested power of 1.112 KW. The transformer taps on the 1000B ITA(Wilkinson) were set back to put a total of 256 watts of power out to the coaxial cable. With the length of coaxial cable and the eight bay antenna this would have made our maximum effective radiated power 1.112 KW requested from the Commission

on July 28, 1988.

- 10. Williams states that they made informal tests and determined that KAMY was "putting out approximately 25,000 watts. It would be impossible for an ITA(Wilkinson) 1000B to put out 25,000 watts even through an eight bay antenna.
- On p. 7, Williams asks that the death penalty be imposed against Caprock, noting that according to the Caprock application, it is represented by counsel. While undersigned counsel is the attorney of record for Caprock, the fact is that Caprock never consulted undersigned counsel regarding its filings with respect to KAMY or its construction of the facility. Counsel was consulted only following the call from Mr. Doak of the Commission. However, in light of the fact that Williams was aware of the listing of counsel in the application, Williams' failure to serve a copy of its complaint in this matter on counsel raises a serious question as to its purposes in the filings which have been submitted in this proceeding. The fact is that the complaint was never received by either Caprock or undersigned counsel. Had it been received, Caprock would have discontinued operations immediately.
- 12. On p. 8, Williams states that Caprock illegally operated its station "without a permit, much less a license." As Williams well knows, a station may be operated pursuant to program test authority-without a license. As indicated in Exhibit 1 hereto, Caprock sent a telegram to the Commission, notifying it of the commencement of operations. While it is true that this telegram was not an effective vehicle for obtaining program test authority because the applicant had not built in accordance with its outstanding construction permit, the fact

that such a telegram was sent clearly indicates that the applicant was not attempting to hide anything from the Commission. It made an honest mistake. When it was apprised of the mistake it discontinued operations.

- 13. Next, on p. 9 of its petition, Williams states that Caprock violated the rules by failing to give public notice of its major change application. As indicated in the attached Declaration, the applicant believed that the application was for a minor modification, and it was never advised otherwise by the Commission. No public notice is required for a minor modification application. The applicant is currently making arrangements for publication in the local newspaper.
- 14. With respect to the charges of premature construction, the fact is that Caprock did have a construction permit to build the station and had filed for modification of the construction permit. The applicant made a mistake in building at the new site prior to grant of the modification. However, this was not a willful violation of the Act. The applicant proceeded with construction to avoid losing its permit which was about to expire. The applicant was wrong in doing these things and wrong in not seeking advice of counsel. However, this does not translate to the "willful" violation which Williams charges. Furthermore, no allegation has been made that operation as proposed would somehow be contrary to the public interest. Williams has not challenged the underlying application which is at issue here as being somehow unacceptable.
  - 15. On p. 10, Williams refers to Caprock's violations of

the Commission's Rules, beginning with that of operating in excess of its permissible effective radiated power. As already indicated, KAMY was not operating with power above that requested in its application for modification of construction permit. The charge regarding failure to publish has previously been treated as has been the issue of the applicant's notification to the Commission that it had commenced operations. The applicant is not clear what Section 1.65 violation it is being charged with by Williams. It clearly did notify the Commission when it commenced operations, and it clearly had filed for a modification of its facilities in which it noted that it could not build at its original site.

- 16. Finally, Williams asks for the death penalty against Caprock. It asks for imposition of the maximum fine and forfeiture of the construction permit. However, the sole basis for imposition of these drastic penalties is that Capmock will compete with Williams. It is quite obvious that Williams is far more concerned with protecting its own competitive position (whatever that might be) than serving the public interest.
- 17. In <u>Patton Broadcasting Corp.</u>, 81 FCC 2d 336 (1980), cited by Williams in its petition, the Commission stated that "it would be anomalous to interpret Section 319(a) in a context that may hinder a permittee from complying with Section 319(b) with respect to required dates of commencement and completion of construction." Just such an anomalous situation arose here since Caprock was attempting to build its station before its outstanding construction permit expired.
  - 18. While Caprock acknowledges that prenature construction

is proscribed by the Act, Caprock does not believe that the cases cited by Williams are directly apposite to the facts of this case. In the instant case the applicant did have a valid construction permit to build the station (albeit at another site). In contrast, Section 319 was designed to prohibit construction where an applicant had no construction permit and was attempting to pressure the Commission into granting a license based on the existing construction.

- 19. Construction of the instant station was authorized, but the applicant could not build at its original site. Consequently, this case is analogous to those cases in which an applicant builds but has made a mistake in the coordinates or some other detail of the construction permit. The applicant may be required to cease operations, but it is permitted to file an application for modification of construction permit. There is no revocation of the permit in such cases where an applicant does have an outstanding permit but failed to build in compliance therewith. The applicant is required to wait until its modification application is granted before commencement of operations at the facility which has been built.
- 20. Furthermore, Caprock is constrained to point out that Williams does not come to the Commission with "clean hands." According to its own affidavits, Williams knew as early as January of this year that Caprock was building its station at the wrong site. However, it never notified Caprock or the Commission to abort this allegedly "unlawful" behavior. Apparently, Williams was more interested in building a case against Caprock

- so that it could destroy its "competition" than it was in stopping the "unlawful" behavior. [Perhaps Williams was waiting for Caprock to spend as much money as possible before notifying the Commission so that the damage to Caprock would be greater].
- 21. If Williams were truly interested in assuring that the Commission's Rules would not be violated, it would have notified Caprock and the Commission back in January of the violation. Williams' actions in waiting until the time for filing a petition to deny to report the violations clearly indicates that its motive in this matter has been purely to destroy a potential competitor and has nothing whatever to do with the public interest. Had Williams reported this matter when it first became aware of it, KAMY would never have been built and placed on the air improperly. When it was within its power to keep this violation from happening, Williams chose instead to let the construction go forward so as to enhance its case against a potential competitor.
- 22. In conclusion, Caprock admits that it made a mistake in building at its proposed new site prior to receipt of a grant of its modification application. However, the public interest would not be served by imposing the death penalty as proposed by Williams. The only injury caused by the violation is to the alleged competitive interests of Williams. However, the violation could have been avoided if Williams had notified Caprock and the Commission when it first learned that Caprock was building at an unauthorized location.
- 23. If sanctions are to be imposed here, they ought to be imposed equally against Williams. By its own admission Williams

became an accomplice to what it understood to be "unlawful" construction when it failed to report the matter to the Commission. Indeed, Williams' actions in concealing knowledge of a violation from the Commission must be viewed as more serious than the actual violation since the actions of Williams were clearly "willful," and Williams had an obvious improper "motive" for its concealment of facts. Williams was not interested in stopping the unauthorized construction. It was interested in gathering facts to destroy a competitor. Such actions by Williams should not be tolerated.

24. Williams could have prevented the violations about which it complains by notifying the proper authorities when it first learned of them. It chose instead to secretly gather information in an effort to destroy a competitor. Certainly, the sword which Williams wields against Caprock has two edges, one of which repudiates Williams' actions in concealing facts from the Commission for its own private interests. If sanctions are to be enforced here, let them be enforced equally against all guilty parties.

WHEREFORE THE PREMISES CONSIDERED, it is respectfully requested that the petition to deny filed by Williams Broadcast Group against the above-captioned application be denied.

Respectfully submitted,

Law Offices
JAMES L. OYSTER
8315 Tobin Road
Annandale, VA 22003-1101
(703) 573-6765
May 9, 1989

CAPROCK EDUCATIONAL BROADCASTING FOUNDATION

James L. Oyster

Counsel

Ву

MATLGRAM SERVICE CENTER MIDDLETUWN, VA. 22645



Exhibit 1

 $\cdot$ 

4-0120685100002 04/10/89 ICS IPMBNGZ CSP DALB 1 2146601016 MGM TDBN GRAND PRAIRIE TX 04-10 1134A EST

LONE STAR SUFTWARE 2100 HWY 360 STE 1204 GRAND PHAIRIE TX 75050

THIS IS A CUNFIRMATION COPY OF THE FOLLOWING MESSAGE:

2146601016 MGMB TDBN GRAND PRAIRIE TX 61 04=10 1134A EST
ZIP
MR. DENHIS WILLIAMS
CHIEF OF FM DIVISION
FEDERAL CUMMUNICATIONS COMMISSION
1919 M ST NW
WASHINGTON UC 20554
IN ACCORDANCE WITH THE CONSTRUCTION PERMIT ISSUED CAPROCK EDUCATIONAL
BROADCASTING UN OCTUBER 16, 1987, CALL LETTERS KAMY, WE SHALL BEGIN
BROADCASTING TODAY AT 1:00PM CDT DN 90.1 MHZ IN LUBBOCK, TEXAS.

T. KENT ATKINS, TRUSTEE
2100 HIGHWAY 360, SUITE 1204
GRAND PRAIRIE, TX 75050

11:34 EST

MGMCOHP

### Declaration of T. Kent Atkins

- T. Kent Atkins herewith submits his declaration in response to the Petition to Deny filed by Williams Broadcast Group ("Williams") against the application of Caprock Educational Broadcasting Foundation ("Caprock") for modification of construction permit of new FM station KAMY, Lubbock, TX. Mr. Atkins is a trustee of Caprock Educational Broadcasting Foundation.
- 1. In the opening statement in the Petition to deny, Williams states that 30 months have elapsed from the original grant. In fact the construction permit was granted October 16, 1987. Only 18 months have elapsed since the permit was granted.
  - 2. On page two Williams says that Caprock should be denied because it has "failed to proceed diligently with construction at its original site." The truth is Caprock could not proceed at its original site and sought another site in order to get the station on the air as soon as possible.
- 3. Williams states that Caprock should be denied because "it has failed to notify the Commission of substantial and significant changes in information furnished the Commission." The truth is that Caprock notified the Commission in every instance of all changes of its site location.
  - 4. Williams claims to be a "Party in Interest" because it alleges that both KJAK and KAMY are competing for listeners in the Slaton/Lubbock area. KJAK is actually a commercial station while KAMY is non-commercial and educational. Therefore, the stations would not compete in the normal sense of that term.
- 5. Williams states on page 4 that "on July 26, 1988, Caprock petitioned the Commission for acceptance of an additional modification application." The document filed July 26, 1988 was in fact an "AMENDMENT TO PETITION FOR RIGHT TO MODIFY CONSTRUCTION PERMIT." The original Petition to Modify submitted March 28, 1988 was and is a MINOR MODIFICATION to construction permit BPED-831220AD. The applicant understood the amendment to be an amendment to an application for a minor modification of construction permit. This would not have required any public notice as Williams claims it did. The Commission staff never advised the applicant that the application was a major modification application. Thus the applicant was totally surprised when it learned through a third party that the application had been placed on a cut-off list.
- 6. Williams says that they found out about the new tower location from KJTV engineer Guy Smith in January. They state that Caprock was in the process of placing the antenna on the tower in mid-January. The fact is that the antenna was not placed on the tower until mid-March, 1989.
- 7. Williams charges that Ed Dulaney, Assistant director of

engineering for KJAK went to the construction site in mid-February, 1989, and saw the antenna mounted on the tower, together with a limiter in the transmitter building. The facts are that the antenna was not completed until mid-March nor was the limiter purchased in mid-March.

8. KAMY did begin testing of its ITA(Wilkinson) 1000B transmitter. The 10000 watt CCA transmitter was purchased from WAFT in Valdosta, GA some 12 months previously and was simply being stored in the transmitter building. The CCA has never been hooked up for any reason. It has no final tube, harmonic filter, or EIA flanges necessary for running the transmitter.

- 9. Caprock categorically denies that it ever operated above the requested power of 1.112 KW. The transformer taps on the 1000B ITA(Wilkinson) were set back to put a total of 256 watts of power out to the coaxial cable. With the length of coaxial cable and the eight bay antenna this would have made our maximum effective radiated power 1.112 KW requested from the Commission on July 28, 1988.
- 10. Williams states that they made informal tests and determined that KAMY was "putting out approximately 25,000 watts. It would be impossible for an ITA(Wilkinson) 1000B to put out 25,000 watts even through an eight bay antenna.
- 11. Williams states that KAMY ran station identification messages identifying itself as a "24-hour Christian music and programming station." (Van Dyke page 02.) The station ID's are in KAMY's possession now and they say no such thing.
- 12. Williams states that Caprock exhibited a lack of candor by not notifying the public as to the origins of its broadcast (page 8), referring to the lack of publication of local notice of the application. The applicant did not believe that a public notice was required because the applicant believed that its application was for a minor modification.
- 13. Williams claims that Caprock made "willful and repeated" violations of the Communications Act. Caprock did not willfully violate the Act. Caprock had made all of the necessary filings to modify the construction permit and believed that it was under the doadline to get a signal on the air by April 16, 1989 or lose it's permit. Caprock had not sought the advice of counsel and was not aware that its construction of the facility pursuant to the modification request (which it believed was for a minor modification) was impermissible. Caprock had not been notified by the Commission that its application was a major modification or that it had been placed on a cut-off list. This was learned only after construction had taken place.
- 14. Caprock certainly was not trying to operate in any clandestine way. It even sent the Commission a notice that it was beginning test on April 10, 1989. If Caprock had known that its actions were illegal, it would have made to sense to send a

telegram to the Commission, notifying them of commencement of operations.

15. Caprock became aware that its construction was unauthorized following a call from Mr. Arthur Doak of the Commission who asked for information regarding the location and power of the KAMY facilities. Caprock called counsel regarding the request and to provide the information. It was at this time that counsel advised Caprock that it should not be operating until it received a grant of the modification application. Caprock immediately took the station off the air, and counsel advised Mr. Doak that the applicant had mistakenly commenced operation at the proposed location but had ceased operations immediately upon being notified of its mistake.

I declare under penalty of perjury that the foregoing is true and correct. Executed on May 5 4 1989.

T. Kent Atkins

### CERTIFICATE OF SERVICE

James L. Oyster hereby certifies that he has sent a copy of the foregoing OPPOSITION TO PETITION TO DENY by first class U.S. mail, postage prepaid, or by hand delivery, on or before the 9th day of May, 1989 to the following:

John H. Midlen, Jr., Esq.

P.O. Box 5662

Washington, D.C. /20016-5662

ames L. Oyster

## EXHIBIT 3